

SHIRLEY FRANKLIN MAYOR

55 TRINITY AVENUE, S.W. ATLANTA, GEORGIA 30303-0300 TEL (404) 330-6100 August 15, 2008

Via Hand Delivery

The Honorable Lisa M. Borders President Atlanta City Council 55 Trinity Avenue, Suite 2900 Atlanta, Georgia, 30303-3584

Ordinance on Ballot Question for November 4, 2008 General Election Re:

Dear President Borders:

The City Council will be considering an ordinance to provide for the "call" of a certain ballot question for the November 4, 2008 general election. The ordinance concerns the ballot question proposed by House Bill 1192 which increases the City of Atlanta's homestead exemption from \$15,000 to \$30,000. Such increase is to be phased in over three years beginning in 2009 if the referendum on that ballot question is approved by the voters in the City of Atlanta.

The Georgia Constitution requires that local legislation to be considered by the General Assembly be the subject of public notice prior to its introduction. That constitutional requirement is satisfied by a procedure set forth in O.C.G.A. § 28-1-14. I have been advised by the City Attorney that there is a flaw in the published notice for HB 1192 in that the subject of such notice differs from the local legislation that was finally adopted.

I understand that the City Attorney has advised you of this legal issue and has discussed with you the possibility of a challenge to the constitutionality of HB 1192. I understand that strong legal grounds exist for such a challenge, but as with all litigation, the outcome is uncertain. The Finance Department has informed me that the revenue impact for the City for Fiscal Year 2010 is approximately \$4 million.

There are pros and cons to a challenge to this state legislation, including impacts on affordable housing and goodwill with the General Assembly. Of particular note is that HB 1192 had strong support in the General Assembly as it passed unanimously in the Senate and with only 20 dissenting votes in the House. On the other hand, an impact of \$4 million during a year of difficult revenue challenges must be considered, too.

I will await the decision of the City Council with respect to this issue and will support whatever decision is made by you and your colleagues.

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Members of Atlanta City Council cc:

Elizabeth Chandler, Esq.